

BUSINESS REPORT

**MONTANA SENATE
62nd LEGISLATURE - REGULAR SESSION**

SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Date: Thursday, March 17, 2011
Place: Capitol

Time: 8:00 AM
Room: 422

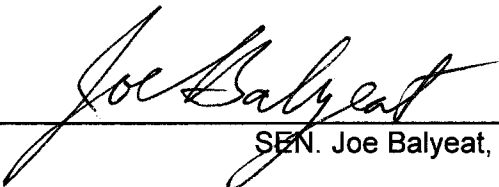
BILLS and RESOLUTIONS HEARD:

HB 249 - Limit shareholder liability for corporation's acts and debts
HB 341 - Revise interest payments in civil cases
HB 342 - Revise appeal bonds in civil cases

EXECUTIVE ACTION TAKEN:

HB 80 - Do Concur
HB 531 - " "
HB 258 - Do Concur As Amended.
HB 354 - Tabled.

Comments:


SEN. Joe Balyeat, Chair

MONTANA STATE SENATE ROLL CALL

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

NAME	PRESENT	ABSENT/ EXCUSED
Vice Chair Jackson	✓	
Senator Facey	✓	
Senator Steinbeisser	✓	
Senator Moore	✓	
Senator Stewart-Peregoy		✓
Senator Tropila	✓	
Senator Tutvedt		✓
Senator Mowbray	✓	
Senator Vuckovich	✓	
Senator Windy Boy		✓
Chairman Balyeat	✓	

11 Committee Members



SENATE STANDING COMMITTEE REPORT

March 17, 2011

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 389** (first reading copy -- white) **do pass**.

Signed: _____

A handwritten signature in cursive script, appearing to read "Joe Balyeat", is written over a horizontal line.

Senator Joe Balyeat, Chair

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required ☐

SB0389001SC.sdr

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SENATE STANDING COMMITTEE REPORT

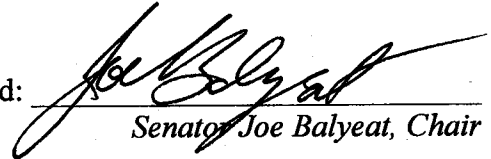
March 17, 2011

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **House Bill 80** (third reading copy -- blue) **be concurred in.**

Signed: _____


Senator Joe Balyeat, Chair

To be carried by Senator Tom Facey

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required ☐

HB0080001SC08062.sdr





SENATE STANDING COMMITTEE REPORT

March 17, 2011

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **House Bill 258** (third reading copy -- blue) be concurred in as amended.

Signed: _____

Joe Balyeat
Senator Joe Balyeat, Chair

To be carried by Senator Carmine Mowbray

And, that such amendments read:

1. Page 4, line 12.

Strike: "recreational"

Insert: "hunting, horseback riding, fishing, or working cattle"

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required ☐

HB0258001SC09041.sdr

02



SENATE STANDING COMMITTEE REPORT

March 17, 2011

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **House Bill 531** (third reading copy -- blue) **be concurred in.**

Signed: _____

A handwritten signature in black ink, appearing to read "Joe Balyeat", is written over a horizontal line.

Senator Joe Balyeat, Chair

To be carried by Senator Carmine Mowbray

- END -

Committee Vote:

Yes 7, No 4

Fiscal Note Required ☐

HB0531001SC09041.sdr

Handwritten initials, possibly "SR", in the bottom right corner of the page.



SENATE STANDING COMMITTEE REPORT

March 17, 2011

Page 1 of 4

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **House Bill 125** (second house second reading copy -- tan) **be concurred in as amended.**

Signed: _____

Senator Joe Balyeat, Chair

To be carried by Senator Donald Steinbeisser

And, that such amendments read:

1. Title, page 1, line 9.

Following: "INSURERS;"

Insert: "REVISING THE DEFINITION OF "INSURER" RELATING TO CAPTIVE RISK RETENTION GROUPS;"

2. Title, page 1, line 16.

Following: "33-2-601,"

Insert: "33-2-1501,"

3. Page 5.

Following: line 20

Insert: "Section 8. Section 33-2-1501, MCA, is amended to read:

"33-2-1501. **Definitions.** As used in parts 15 through 17 of this chapter, the following definitions apply:

(1) "Accredited state" means a state in which the department of insurance or regulatory agency has qualified as meeting the minimum financial regulatory standards promulgated and established from time to time by the national association of insurance commissioners.

(2) "Actuary" means a person who is a member in good standing of the American academy of actuaries.

(3) "Captive insurer" means:

(a) an insurer that is owned by another entity and whose exclusive purpose is to insure risks of the parent entity and its affiliates; or

Committee Vote:

Yes 11, No 0

Fiscal Note Required ☐

HB0125003SC01417.sdr

DR

(b) in the case of a group or association, an insurer that is owned by the member insureds and whose exclusive purpose is to insure risks to member insureds and their affiliates.

(4) "Control" or "controlled" has the meaning defined in 33-2-1101.

(5) "Controlled insurer" means an authorized insurer that is controlled, directly or indirectly, by a producer.

(6) "Controlling person" means a person, firm, association, or corporation that has the power to direct or cause to be directed the management, control, or activities of a reinsurance intermediary.

(7) "Controlling producer" means a producer who, directly or indirectly, controls an insurer.

(8) (a) "Insurer" means any person, firm, association, or corporation authorized, under Title 33, chapter 2, part 1, to transact insurance business in this state.

(b) The With regard to part 15 only, the following are not insurers:

(i) risk retention groups as defined in:

(A) the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (1986);

(B) the Liability Risk Retention Act of 1986, 15 U.S.C. 3901, et seq.; or

(C) Title 33, chapter 11, part 1;

(ii) residual market pools and joint underwriting authorities or associations; or

(iii) captive insurers.

(c) With regard to parts 16 and 17, captive insurers are not insurers but captive risk retention groups are insurers.

(9) "Licensed producer" means a producer or reinsurance intermediary licensed pursuant to this title.

(10) (a) "Managing general agent" means a person who:

(i) manages all or part of the insurance business of an insurer and acts as an agent for the insurer;

(ii) either separately or together with affiliates, produces, directly or indirectly, and underwrites an amount of gross written premiums equal to or more than 5% of the policyholder surplus in any quarter or year; and

(iii) engages in one or more of the following activities on the business produced:

(A) adjustment or payment of claims in excess of an amount determined by the commissioner; or

(B) negotiation of reinsurance on behalf of the insurer.

(b) Notwithstanding the provisions of subsection (10)(a), the following persons are not considered managing general agents:

(i) an employee of the insurer;

(ii) a manager of the United States branch of an alien insurer;

(iii) an underwriting manager who, pursuant to contract, manages all or part of the insurance operations of the insurer, is under common control with the insurer, is subject to Title 33,

chapter 2, part 11, and whose compensation is not based solely on the value of premiums written; or

(iv) the attorney-in-fact authorized by and acting for the subscribers of a reciprocal insurer or an interinsurance exchange under powers of attorney.

(11) "NAIC" means the national association of insurance commissioners.

(12) "Producer" means an insurance producer or reinsurance intermediary authorized or licensed pursuant to this title.

(13) (a) "Qualified United States financial institution" means a financial institution that:

(i) is organized or licensed under the laws of the United States or any state;

(ii) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies and that either:

(A) is determined by the commissioner to meet the standards of financial condition and standing considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit are acceptable to the commissioner; or

(B) is eligible to act as a fiduciary of a trust or has been granted authority to operate with fiduciary powers.

(b) For purposes of this definition, the commissioner may by rule adopt standards of financial condition and standing that may be developed from time to time by the securities valuation office of the NAIC.

(14) "Reinsurance intermediary" means a reinsurance intermediary-broker or a reinsurance intermediary-manager.

(15) "Reinsurance intermediary-broker" means a person, other than an officer or employee of the ceding insurer, who solicits, negotiates, or places reinsurance cessions or retrocessions on behalf of a ceding insurer without the authority or power to bind reinsurance on behalf of the insurer.

(16) (a) "Reinsurance intermediary-manager" means a person who:

(i) has authority to bind or who manages all or part of the assumed reinsurance business of a reinsurer, including the management of a separate division, department, or underwriting office; and

(ii) acts as an agent for the reinsurer, whether known as a reinsurance intermediary-manager, manager, or other similar term.

(b) The following persons are not considered reinsurance intermediary-managers with respect to the reinsurer:

(i) an employee of the reinsurer;

(ii) a manager of the United States branch of an alien reinsurer;

(iii) an underwriting manager who, pursuant to contract, manages all of the reinsurance operations of the reinsurer, is under common control with the reinsurer, is subject to Title 33, chapter 2, part 11, and whose compensation is not based on the volume of premiums written; or

(iv) a person who manages groups, associations, pools, or organizations of insurers that engage in joint underwriting or joint reinsurance and that are subject to examination by the insurance commissioner of the state in which the manager's principal business office is located.

(17) "Reinsurer" means a person, firm, association, or corporation licensed in this state under this title as an insurer with authority to assume reinsurance.

(18) "Underwrite" means the authority to accept or reject risk on behalf of the insurer.""

Renumber: subsequent sections

4. Page 25, line 13 through line 18.

Strike: subsection (8) in its entirety

- END -


BILL TABLED NOTICE

SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

The **SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE** TABLED

HB 264 - Allow any person to file complaint with insurance commissioner

HB 354 - Residential landlord tenant law - eliminate carbon monoxide detector requirement , by motion, on **Thursday, March 17, 2011**.



(For the Committee)



(For the Secretary of the Senate)

2:55 13-17-11
(Time) (Date)

March 17, 2011

Linda Keim, Secretary

Phone: 444-4618

MONTANA STATE SENATE

ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

BILL NO. HB 354 5-6

NAME	AYE	NO	<i>Table</i>
Senator Stewart-Peregoy		✓	<i>m</i>
Senator Vuckovich		✓	
Senator Steinbeisser	✓		
Senator Facey		✓	
Senator Tutvedt	✓ <i>m</i>		
Senator Jackson	✓		
Senator Windy Boy		✓	<i>m</i>
Senator Moore		✓	
Senator Tropila		✓	
Senator Mowbray	✓		
Chairman Balyeat	✓		

11 Committee Members

MONTANA STATE SENATE

ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

BILL NO. HB 531

7-4

NAME	AYE	NO
Senator Stewart-Peregoy		✓ <i>m</i>
Senator Vuckovich	✓	
Senator Steinbeisser	✓	
Senator Facey		✓
Senator Tutvedt	✓ <i>m</i>	
Senator Jackson	✓	
Senator Windy Boy		✓ <i>m</i>
Senator Moore	✓	
Senator Tropila		✓
Senator Mowbray	✓	
Chairman Balyeat	✓	

11 Committee Members

MONTANA STATE SENATE

ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

HB004303.aggm (Exhibit 4)

BILL NO. *HB43 Segment #1 of Amendment 5-6*

NAME	AYE	NO
Senator Stewart-Peregoy	✓ <i>pr</i>	
Senator Vuckovich	✓	
Senator Steinbeisser		✓
Senator Facey	✓	
Senator Tutvedt		✓ <i>pr</i>
Senator Jackson		✓
Senator Windy Boy	✓ <i>pr</i>	
Senator Moore		✓
Senator Tropila	✓	
Senator Mowbray		✓
Chairman Balyeat		✓

11 Committee Members

MONTANA STATE SENATE ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

HB004303.apm (Exhibit 4)

BILL NO. *HB 43 Segment #3 of Ambient Air 5-b*

NAME	AYE	NO
Senator Stewart-Peregoy	✓	
Senator Vuckovich	✓	
Senator Steinbeisser		✓
Senator Facey	✓	
Senator Tutvedt		✓ <i>PM</i>
Senator Jackson		
Senator Windy Boy	✓ <i>PM</i>	
Senator Moore		✓
Senator Tropila	✓	
Senator Mowbray		✓
Chairman Balyeat		✓

11 Committee Members

MONTANA STATE SENATE ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17-, 2011

BILL NO. HB264 0026401.2pm amdt. 6-5

NAME	AYE	NO
Senator Stewart-Peregoy		✓ <i>m</i>
Senator Vuckovich		✓
Senator Steinbeisser	✓	
Senator Facey		✓
Senator Tutvedt	✓ <i>m</i>	
Senator Jackson	✓	
Senator Windy Boy		✓ <i>m</i>
Senator Moore	✓	
Senator Tropila		✓
Senator Mowbray	✓	
Chairman Balyeat	✓	

11 Committee Members

MONTANA STATE SENATE ROLL CALL VOTE

BUSINESS, LABOR, AND ECONOMIC AFFAIRS

DATE: 3-17, 2011

BILL NO. H/B 264 ~~HB 264~~ *Fails 5-6*

NAME	AYE	NO <i>Table</i>
Senator Stewart-Peregoy		✓ <i>m</i>
Senator Vuckovich		✓
Senator Steinbeisser		✓
Senator Facey		✓
Senator Tutvedt	✓ <i>m</i>	
Senator Jackson	✓	
Senator Windy Boy		✓ <i>m</i>
Senator Moore	✓	
Senator Tropila		✓
Senator Mowbray	✓	
Chairman Balyeat	✓	

11 Committee Members

**AUTHORIZED
SENATE COMMITTEE PROXY**

I, Senator Bruce Tutvedt request to be excused from the

BUSINESS AND LABOR COMMITTEE

due to my other commitment. I desire to leave my proxy vote with:

Vice Chair Verdell Jackson

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO
HB 80	X	
HB 258	X	
Amendment HB 25801.00m	X	
HB 354	X	
HB 531	X	
HB 43		
HB 004301.0pm		X
HB 004363.0pm		X

BILL/AMENDMENT	AYE	NO
HB 125	X	
HB 012502.0pm	X	
HB 012505.0pm	X	
SB 389	X	
HB 264	X	
HB 0026401	X	

Sen. _____

(Signature)

Date

3/17/2011

AUTHORIZED SENATE COMMITTEE PROXY

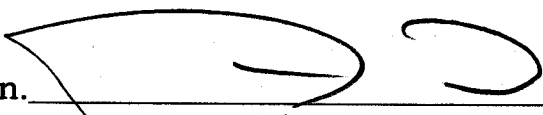
I, Senator Jonathon Windy Boy, request to be excused from the
BUSINESS AND LABOR COMMITTEE
 due to my other commitment. I desire to leave my proxy vote with:

SEN. TROPILA

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO
HB 80	X	
HB 258	X	
HB 258 AMD	X	
HB 354		X
HB 354		
HB 531		X
HB 43 AMND#1	X	
HB 43 AMND#3	X	
HB 43		
HB 125 AMD. 1	X	
AMD 2	X	
HB 125	X	

BILL/AMENDMENT	AYE	NO
SB 389	X	X
HB 264		X
HB 264 AMND.	X	X

Sen. 
 (Signature)

Date St. Patrick's Day 2011

AUTHORIZED SENATE COMMITTEE PROXY

I, Senator Sharon Stewart-Peregoy, request to be excused from the
Business, Labor, and Economic Affairs
COMMITTEE

due to my other commitment. I desire to leave my proxy vote with:

Sen. Tropia

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO
HB 80	X	
HB 258	X	
HB 258 AMDM.	X	
HB 354		X
HB 354		
HB 531		X
HB 43 #AMND. 1	X	
HB 43 #AMND. 3	X	
HB 43		
HB 125 AMND. 1	X	
HB 125 AMND. 2	X	
HB 125	X	

BILL/AMENDMENT	AYE	NO
SB 389	X	
HB 264		X
HB 264 AMND.	X	X

Sen Sharon Stewart-Peregoy
(Signature)

Date ST. PATRICK'S DAY 2011

SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Sponsor: Representative Steve Fitzpatrick

[illegible]

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Sponsor: Representative Cary Smith

PLEASE PRINT

[illegible]

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.

MONTANA STATE SENATE
Visitors Register
SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE

Thursday, March 17, 2011

HB 342 - Revise appeal bonds in civil cases

Sponsor: Representative Cary Smith

PLEASE PRINT

Name	Representing	Support	Oppose
Kinda Wiggers	Grt Fls/Helena Chamber	X	
Al Smith	MT LIA		X
Jon Bennion	Montana Chamber	X	
Dustin Stewart	MBIA	X	
Aidan Myhre	Kalispell Chamber	X	
Steve Turkiewicz	Mr Bankers Assn	X	
Riley Johnson	NFIB	X	

Please leave prepared testimony with Secretary. Witness Statement forms are available if you care to submit written testimony.